

# **FISCAL NOTE**

## **HB 3**

### **FIRST EXTRAORDINARY SESSION**

March 30, 1999

**SUMMARY OF BILL:** Revises the taxation law by amending several portions of T.C.A. Title 67, Chapter 4, Chapter 8, and Chapter 9 involving doing business in Tennessee to include pass-through entities in the tax base.

### **ESTIMATED FISCAL IMPACT:**

**Increase State Revenues - Exceeds \$100,000,000**

Estimate is based on projecting franchise and excise tax revenue growth that would have occurred using growth rates of the past few years and comparing those numbers with current projections for franchise and excise tax growth. Estimate assumes a major portion of the decline in growth is attributed to erosion of the tax base.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James A. Davenport".

James A. Davenport, Executive Director

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